

I) IN THE CLAIMS:

1. (Presently amended) A method of operating a reward points system in conjunction with a ~~card~~ computer network, the ~~card computer network interconnected to comprising~~ at least one issuing bank computer operated by an issuing bank that issues ~~for issuing~~ a card to a user in association with a user payment account at the issuing bank computer and at least one acquiring bank computer operated by an acquiring bank that collects ~~for collecting~~ payment from the user payment account at the issuing bank computer on behalf of a merchant and pays ~~paying~~ the merchant when the user presents the card to the merchant in association with a purchase transaction, the method comprising the steps of:
 - a. providing a reward point account database in a central reward server computer that interoperates ~~operating in association with the card computer network, the reward point account database storing central reward server enabling a plurality of independently operating merchants to each have a plurality of individual user reward point accounts in association with each of a plurality of stored in said reward point account database and associated with said independently operating merchants,~~
 - b. a user executing a purchase transaction with a transacting merchant selected from said plurality of independently operating merchants by presenting the card to the transacting merchant ~~a credit card~~ for payment of at least part of the transaction;
 - c. a transacting merchant computer, operating in association with the transacting merchant,

transmitting via the computer network a request to
~~requesting~~ an acquiring bank computer to obtain
approval of said purchase transaction from an issuing
bank computer, said request comprising a user payment
account ID as obtained from the card; and

- d. the transacting merchant computer transmitting an
instruction to ~~instructing~~ the central reward server
computer to add reward points to a user reward point
account in the reward point account database, the user
reward point account being associated with the
transacting merchant and the user payment account ID.

2. (Presently amended) The method of claim 1 further
comprising the step of redeeming reward points from the
user reward point account by the steps of
- the user executing a purchase transaction with a
redeeming merchant;
 - the user utilizing reward points from at least one
of the user reward point accounts associated with
the user for the purchase transaction;
 - a redeeming merchant computer associated with the
redeeming merchant transmitting an instruction to
~~instructing~~ the central reward server computer to
reduce the user reward point account associated
with the user by the amount of reward points used
in the transaction.

3. (Presently amended) The method of claim 1 further
comprising the steps of
- establishing a reward point exchange account on the
central reward server computer;

selecting reward points from each of a plurality of user reward point accounts associated with different independently operating merchants for exchange into the reward point exchange account; and

the central reward server computer exchanging
~~aggregating~~ the selected reward points into the reward point exchange account.

4. (Previously presented) The method of claim 3 further comprising the step of redeeming aggregated reward points from the reward point exchange account by the steps of
 - the user executing a purchase transaction with a redeeming merchant;
 - the user utilizing aggregated reward points from the reward point exchange account for the purchase transaction;
 - the reward point exchange account being reduced by the number of aggregated reward points utilized for the purchase transaction.
5. (Presently amended) The method of claim 3 comprising the further steps of:
 - establishing a cluster of independently operating merchants, each of which have user reward point accounts established with the reward point account database in the central reward server computer;
 - allowing aggregation of points from each of the independently operating merchants in the cluster into the reward point exchange account; and
 - disallowing aggregation of points from a merchant not a member of the cluster.

6. (Previously presented) The method of claim 5 comprising the further step of allowing for redemption of aggregated reward points only with redeeming merchants that are members of the cluster.

7-20 (Cancelled).

21. (Previously presented) The method of claim 2 wherein the user executes the redemption purchase transaction completely with reward points from the reward point account.

22. (Previously presented) The method of claim 2 wherein the user executes the redemption purchase transaction partially with reward points from the reward point account and partially with other consideration.

23. (New) A reward points system comprising:

at least one issuing bank computer interoperable with a computer network and operated by an issuing bank that issues a card to a user in association with a user payment account at the issuing bank computer;

at least one acquiring bank computer interoperable with the computer network and operated by an acquiring bank that collects payment from the issuing bank on behalf of a merchant and pays the merchant when the user presents the card to the merchant in association with a purchase transaction;

at least one transacting merchant computer interoperable with the computer network and operated by a transacting merchant, said transacting merchant being one of a plurality of independently operating merchants;

a central reward server computer interoperable with the computer network and comprising a reward point account database

for storing a plurality of individual user reward point accounts in association with each of the plurality of independently operating merchants,

wherein the transacting merchant computer is adapted to

transmit via the computer network a request to the acquiring bank computer to obtain from an issuing bank computer approval of a purchase transaction being executed with a user who has presented a card for payment of at least part of the transaction, said request comprising a user payment account ID as obtained from the card; and

transmit via the computer network an instruction to the central reward server computer to add reward points to a user reward point account in the reward point account database, the user reward point account being associated with the transacting merchant and the user payment account ID.

24. (New) The system of claim 23 wherein the central reward server computer further comprises a reward point exchange account associated with a user and is adapted to (i) enable the selection of reward points from each of a plurality of user reward point accounts associated with different independently operating merchants for exchange into the reward point exchange account, and (ii) exchange the selected reward points into the reward point exchange account.